



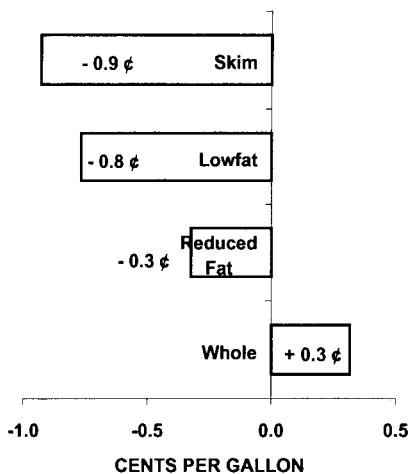
Milk Pricing

NEWSLETTER

Dairy Marketing Branch, CDFA

July 2001

AUGUST PRICE CHANGES



ANNOUNCEMENT OF MINIMUM FARM PRICES FOR MILK FOR AUGUST 2001

Commodity prices per pound were very active this month. Both butter and cheese were up about 3¢ while powdered milk was down nearly 4¢. The increases in butter and cheese prices resulted in an increase in whole milk prices, but the decrease in powder prices resulted in a decrease in all other milk prices.

Overall U.S. milk production is down partly due to the seasonal decline in production due to hot and humid weather. USDA predicts milk and dairy product prices will continue to climb in the months ahead.

Minimum Farm Prices for Various Fluid Milks by Container Size for August 2001

Northern California	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole Milk	\$1.466	\$0.733	\$0.367	\$0.183	\$0.122	\$0.092
Reduced Fat (2%)	\$1.277	\$0.639	\$0.319	\$0.160	\$0.106	\$0.080
Lowfat (1%)	\$1.161	\$0.581	\$0.290	\$0.145	\$0.097	\$0.073
Nonfat (Skim)	\$0.841	\$0.421	\$0.210	\$0.105	\$0.070	\$0.053

Southern California	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole Milk	\$1.490	\$0.745	\$0.372	\$0.186	\$0.124	\$0.093
Reduced Fat (2%)	\$1.301	\$0.650	\$0.325	\$0.162	\$0.108	\$0.081
Lowfat (1%)	\$1.184	\$0.592	\$0.296	\$0.148	\$0.098	\$0.074
Nonfat (Skim)	\$0.866	\$0.433	\$0.216	\$0.108	\$0.072	\$0.054

Price Changes from July 2001 Pricing Period

	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole Milk	\$0.003	\$0.002	\$0.001	\$0.000	\$0.000	\$0.000
Reduced Fat (2%)	\$0.003-	\$0.002-	\$0.001-	\$0.000	\$0.000	\$0.000
Lowfat (1%)	\$0.008-	\$0.004-	\$0.002-	\$0.001-	\$0.001-	\$0.000
Nonfat (Skim)	\$0.009-	\$0.005-	\$0.002-	\$0.001-	\$0.001-	\$0.001-

California Department of Food and Agriculture

William (Bill) Lyons Jr., Secretary

Robert "Tad" Bell, Undersecretary

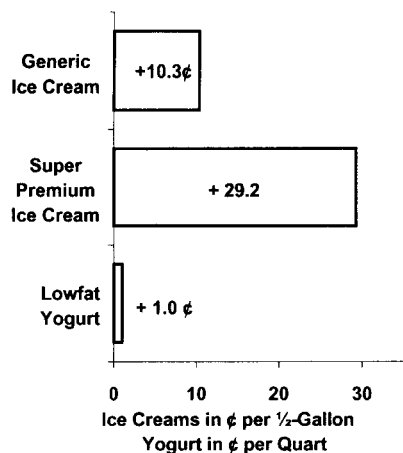
Daniel E. Webb, Deputy Secretary

Vanessa Arellano, Assistant Secretary

Phone (916) 654-1456; Homepage Address: www.cdfa.ca.gov/dairy

Minimum Farm Prices for the Milk Component in Manufactured Dairy Products

JUNE-JULY PRICE INCREASES



1/ Southern California yogurt and ice cream milk product prices may be up to 1 cent more.

2/ Yogurt and ice cream prices change every second month.

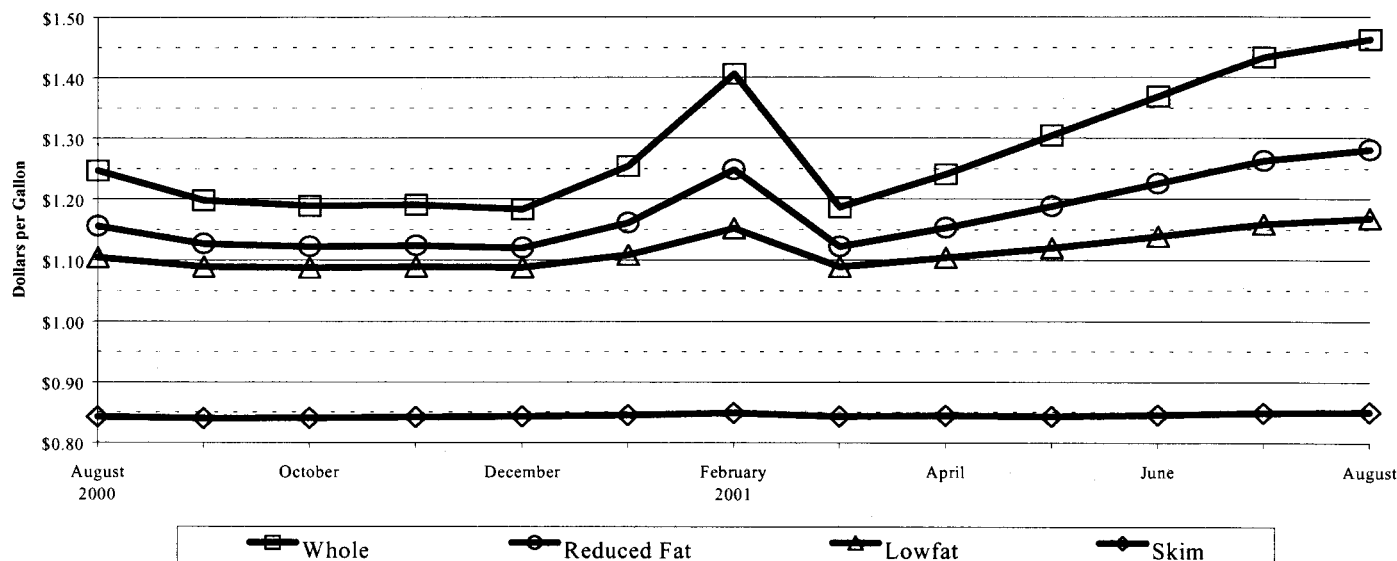
California Milk Component Farm Prices^{1/}

	Lowfat yogurt (\$/quart)	Super-premium ice cream (\$/1/2 gal)	Generic ice cream (\$/1/2 gal)	Butter grade AA (\$/lb)	Cheese (\$/lb)
March	\$0.23	\$1.40	\$0.54	\$1.39	\$1.13
April	\$0.23	\$1.47	\$0.57	\$1.63	\$1.21
May	\$0.23	\$1.47	\$0.57	\$1.73	\$1.41
June	\$0.24	\$1.76	\$0.67	\$1.83	\$1.47

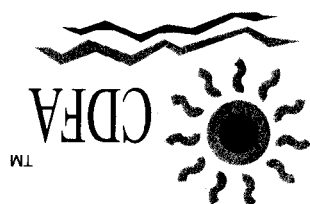
Price Change from the Prior Pricing Period^{2/}

March	—	—	—	\$0.18	\$0.13
April	\$0.00	\$0.07	\$0.02	\$0.24	\$0.08
May	—	—	—	\$0.10	\$0.20
June	\$0.01	\$0.29	\$0.10	\$0.09	\$0.07

Farm Component of Fluid Milk Prices



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